DOCKET SECTION

BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001 RECEIVED

SEP 29 5 40 PM '97

FOSTAL RATE COMMISSION OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS PAFFORD TO INTERROGATORY OF THE NEWSPAPER ASSOCIATION OF AMERICA (NAA/USPS-T1-1)

The United States Postal Service hereby provides the response of witness

Pafford to the following interrogatory of the Newspaper Association of America: NAA/

USPS-T1-1, filed on September 15, 1997.

The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

Anne B. Reynolds

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 (202) 268–2970; Fax –5402 September 29, 1997

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS PAFFORD TO INTERROGATORY OF THE NEWSPAPER ASSOCIATION OF AMERICA

NAA/USPS-T1-1. Please refer to page 3, lines 9-11 of your testimony.

- a. Please provide the basis for your state that there is a "statutory requirement" that each class of mail be priced so as to cover its volume variable costs, as opposed to any other measure of costs.
- b. Have you consulted the testimony of witnesses Panzar or Takis to determine whether they agree with your statement?
- c. Please describe your qualifications to express an opinion as to how the term "attributable" in section 3622(b)(3) of the Postal Reorganization Act should be interpreted.

RESPONSE:

- a. Please see the revision to my testimony, filed on September 29, 1997.
- b. N/A
- c. N/A

DECLARATION

I, Bradley V. Pafford, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

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Dated: 9-29-97

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

Anne B. Reynolds

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 September 29, 1997